

Congress of the United States
Washington, DC 20515

March 8, 2022

The Honorable Charles P. Rettig
Commissioner
Internal Revenue Service
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Commissioner Rettig,

I am writing regarding the Internal Revenue Service's (IRS) processing of Employee Retention Credit (ERC) payments. Constituents have contacted my office with accounts that they are not receiving refund credits in a timely fashion. Small business owners in my district report that they often face a wait time of eight to ten months to receive payment checks. As you know, the ERC was designed to help businesses facing revenue reductions due to the economic uncertainty caused by the COVID-19 pandemic. The IRS must do all it can to ensure that ERC claims are processed as quickly as possible and that payments are sent out urgently.

I recognize that the IRS does a lot of work vital to our economy with a limited number of resources. With the tax filing season upon us, I suspect that the IRS's many pressing priorities, including processing individual tax claims, unemployment insurance refunds, and CTC and EITC payments, are compounded. Based on numerous discussions I have had, it is clear to me that the processing of ERC claims must be elevated as a high priority even in the midst of the IRS' other considerations. Small businesses in my district and across the nation relied on the ERC so that workers could remain on the job and that those businesses could continue operating. Small business owners now need these long-delayed payments to provide for their employees' financial well-being and continue our nation's economic recovery from the COVID pandemic.

In all too many cases, delayed payments can mean the difference between a business remaining open or not. In response to these delays, businesses are considering taking previously unthinkable actions such as furloughs, layoffs or even outright closure. This current situation hits so close to home for me, illustrated by two of my constituents – the owners of Avalon, a widely-admired bakery, and Flow Video, a video production company. Both face significant challenges and difficult decisions if the processing of their ERC applications is further delayed.

I am also troubled to hear that those making ERC claims are having difficulty contacting the IRS regarding the status of their applications. I urge you to rectify this and ensure that the IRS directly communicates with those seeking urgent help. It is vital that small business owners and congressional offices working on behalf of their constituents can be confident that the IRS is taking immediate and concrete steps to clear the ERC claims backlog.

Thank you for reviewing the matter, and I look forward to your reply.

A handwritten signature in blue ink, reading "Andy Levin". The signature is fluid and cursive, with the first name "Andy" and last name "Levin" clearly distinguishable.

Andy Levin
Member of Congress